Annual Report 2010

Transmission Sector

OMB Control No. 2060-0328
Expires 07/31/2011

Company Information

Company Name: **Kinder Morgan**

Gas STAR Contact: **Thomas Bach**

Title **Director, EHS**

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Company Information Updated: **Yes**

Activities Reported

BMP1: Yes **BMP2: Yes** **BMP3: No** **BMP4: Yes**

Total Methane Emission Reductions Reported This Year: **1,001,606**

Previous Years' Activities Reported: **Yes**

Period Covered by Report

From: **01/01/2010** To: **12/31/2010**

☑ I hereby certify the accuracy of the data contained in this report.

Additional Comments

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BMP1: Directed Inspection and Maintenance at Compressor Stations

Current Year Activities

A. Facility/location identifier information:

ALL

B. Leak Summary

Number of surveys at this facility for reporting period: **31 surveys**

Total number of leaks found this reporting period: **294 found**

Total number of leaks repaired: **294 repaired**

C. Cost Summary

Total cost of surveys conducted this reporting period: **$ 0**
Total cost of leak repairs: **$ 4,471**

D. Methane Emissions Reduction

Method Used: **Actual field measurement**
Methane Emissions Reduction: **270,440 Mcf/year**

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E. Total Value of Gas Saved

Value of Gas Saved: **$ 1,538,804**
$ / Mcf used: **$ 5.69**

F. Planned Future Activities

Do you plan to survey this facility/location next year? **Yes**

Previous Years' Activities

Year	Total Cost of Surveys ($)	Total Cost of Repairs ($)	Estimated Reductions (Mcf/Yr)	Value of Gas Saved ($)

Additional Comments

The numbers entered above are for the 31 different compressor stations that were surveyed in 2010.

For 2011 the Natural Gas STAR program is superceded by EPA's MRR Subpart W monitoring regulation (40CFR Part 98 Subpart W).

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BMP2: Use of Turbines at Compressor Stations

Current Year Activities

A. Facility/location identifier information:

B.Turbine Summary

Number of turbines installed this reporting period: **0 turbines**
Total cost of turbine installations (equipment and labor): **$ 0**

B. Reciprocating Summary

Number of reciprocating engines retired this reporting period: **0 engines**

D. Equipment Description

Turbines:

Reciprocating Engines:

E. Methane Emissions Reduction

Method Used: **Other**
Data Source: **Not Applicable**

Methane Emissions Reduction: **21,608 Mcf/year**

Reciprocating Engines Retired			Turbines Installed		
# Engines Retired of this type	Emission rate per MMcf of fuel used	Fuel consumption (MMcf/hour)	# Turbines Installed of this type	Emission rate per MMcf of fuel used	Fuel consumption (MMcf/hour)

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F. Are these emissions reductions a one-year reduction or a multi-year reduction?

One-year ✓ Multi-year

If Multi-year:

Partner will report this activity once and let EPA automatically calculate future emission reductions based on sunset date duration (BMP 2 has a sunset period of 20 years).

✓ Partner will report this activity annually up to allowed sunset date.

G. Total Value of Gas Saved

Value of Gas Saved: **151,256**
$ / Mcf used: **7.00**

H. Planned Future Activities

Number of turbines to be installed next year:

Number of reciprocating engines to be retired next year:

Previous Years' Activities

Year	# Turbines Installed	Total Cost * ($)	# Reciprocating Engines Retired	Estimated Reductions (Mcf/Yr)	Value of Gas Saved ($)
1993	1		0	21,608	151,256

* Total cost of installation (including equipment and labor)

Additional Comments

1993 turbine installation; As of 2010 there are 3 years left on the 20 year sunset

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BMP4: Partner Reported Opportunities (PROs)

Current Year Activities

A. Facility/location identifier information:

Arlington CS

B. Description of PRO

Please specify the technology or practice that was implemented:

Install electric compressors (10 years)

Please describe how your company implemented this PRO:

Installed 1-17,500 hp electric motor driven compressor

C. Level of Implementation
Number of units installed: 1 units

D. Methane Emissions Reduction
Methane Emissions Reduction: **36,925 Mcf/year**

Basis for the emissions reduction estimate: **Other**

Calculated using emission factor of 2.11 Mcf/year per horsepower (from PRO Fact Sheet No. 105)

E. Are these emissions reductions a one-year reduction or a multi-year reduction?

One-year ✓ Multi-year

If Multi-year:

✓ Partner will report this activity once and let EPA automatically calculate future emission reductions based on sunset date duration.

Partner will report this activity annually up to allowed sunset date.

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F. Cost Summary
Estimated cost of implementing the PRO (including equipment and labor): **$ 26,582,897**

G. Total Value of Gas Saved
Value of Gas Saved: **$ 258,475**
$ / Mcf used: **$ 7.00**

H. Planned Future Activities
To what extent do you expect to implement this PRO next year?: **see additional comments**

Previous Years' Activities

Year	Frequency of practice/activity or # of Installations	Total Cost * ($)	Estimated Reductions (Mcf/Yr)	Value of Gas Saved ($)

* Total cost of practice/activity (including equipment and labor)

Additional Comments

2011 PRO implementation: Report gas savings associated with the installation of electric motor driven compression either as new gas compression equipment or for replacement of existing reciprocating internal combustion engine driven gas compression equipment

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BMP4: Partner Reported Opportunities (PROs)

Current Year Activities

A. Facility/location identifier information:

ALL

B. Description of PRO

Please specify the technology or practice that was implemented:

Reduce/downgrade system pressure

Please describe how your company implemented this PRO:

Reduced pressure in pipeline prior to blowdown

C. Level of Implementation

Other: 53 times in 2010

D. Methane Emissions Reduction

Methane Emissions Reduction: **77,953 Mcf/year**

Basis for the emissions reduction estimate: **Actual field measurement**

E. Are these emissions reductions a one-year reduction or a multi-year reduction?

✓ One-year Multi-year

If Multi-year:

Partner will report this activity once and let EPA automatically calculate future emission reductions based on sunset date duration.

Partner will report this activity annually up to allowed sunset date.

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F. Cost Summary
Estimated cost of implementing the PRO (including equipment and labor): **$ 0**

G. Total Value of Gas Saved
Value of Gas Saved: **$ 444,332**
$ / Mcf used: **$ 5.70**

H. Planned Future Activities
To what extent do you expect to implement this PRO next year?: **Same, as practical**

Previous Years' Activities

Year	Frequency of practice/activity or # of Installations	Total Cost * ($)	Estimated Reductions (Mcf/Yr)	Value of Gas Saved ($)

* Total cost of practice/activity (including equipment and labor)

Additional Comments

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BMP4: Partner Reported Opportunities (PROs)

Current Year Activities

A. Facility/location identifier information:

ALL

B. Description of PRO

Please specify the technology or practice that was implemented:

Use fixed/portable compressors for pipeline pumpdown

Please describe how your company implemented this PRO:

Rented reserve compressors to reinject gas back into system instead of venting to atmosphere

C. Level of Implementation

Other: 26 times in 2010

D. Methane Emissions Reduction

Methane Emissions Reduction: **594,680 Mcf/year**

Basis for the emissions reduction estimate: **Actual field measurement**

E. Are these emissions reductions a one-year reduction or a multi-year reduction?

✓ One-year Multi-year

If Multi-year:

Partner will report this activity once and let EPA automatically calculate future emission reductions based on sunset date duration.

Partner will report this activity annually up to allowed sunset date.

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F. Cost Summary
Estimated cost of implementing the PRO (including equipment and labor): **$ 996,244**

G. Total Value of Gas Saved
Value of Gas Saved: **$ 2,973,400**
$ / Mcf used: **$ 5.00**

H. Planned Future Activities
To what extent do you expect to implement this PRO next year?: **Same, as practical**

Previous Years' Activities

Year	Frequency of practice/activity or # of Installations	Total Cost * ($)	Estimated Reductions (Mcf/Yr)	Value of Gas Saved ($)

* Total cost of practice/activity (including equipment and labor)

Additional Comments

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Additional Accomplishments

Attended 17th Annual STAR Conference

Kinder Morgan - Natural Gas Pipelines was selected as the Natural Gas STAR Program's Transmission Partner of the Year and was presented an award during the 2010 Annual Natural Gas STAR Implementation Workshop